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### COMMONWEALTH OF VIRGINIA

## STATE CORPORATION COMMISSION

AT RICHMOND, OCTOBER 10, 2001

APPLICATION OF

METROMEDIA ENERGY, INC.

CASE NO. PUE010299

For a license to conduct business as a competitive service provider in a natural gas retail access program

# ORDER GRANTING LICENSE

On May 4, 2001, Metromedia Energy, Inc. ("Metromedia" or "Applicant") filed an application for a license to conduct business as a natural gas competitive service provider ("CSP") in a retail access pilot program that has been approved by this Commission as provided by the Interim Rules Governing Electric and Natural Gas Retail Access Pilot Programs ("Interim Rules"), 20 VAC 5-311-10 et seq. Metromedia completed its application with supplements filed on July 14 and August 29, 2001. The Company intends to serve commercial and industrial customers participating in the natural gas retail access program of Washington Gas Light Company ("WGL"). According to the application, Metromedia has served a copy of its application on WGL.

On September 6, 2001, the Commission issued its Order for Notice and Comment, establishing the case, providing for the

receipt of comments from the public, and requiring the Commission's Staff to analyze the reasonableness of Metromedia's application and present its findings in a Staff Report to be filed on or before September 24, 2001. No comments from the public on Metromedia's application were received.

The Staff filed its Report on September 24, 2001, concerning Metromedia's fitness to provide competitive natural gas service. The Staff concluded that Metromedia meets the technical and financial fitness requirements for licensure. As such, the Staff recommended that a license be granted to Metromedia Energy, Inc., for the provision of natural gas service to commercial and industrial customers in the WGL retail access program. Metromedia filed a response to the Staff Report.

NOW UPON CONSIDERATION of the application, the Staff
Report, the Company's response and the applicable law, the
Commission finds that Metromedia's application to provide
natural gas service should be granted. However as we have
noted, WGL has been authorized to implement natural gas retail
choice to all of its customers, consequently, it no longer has a
pilot program. In Case No. PUE010013, by Order dated June 19,
2001, the Commission adopted Rules Governing Retail Access to
Competitive Energy Services, 20 VAC 5-312-10 et seq. ("Retail
Access Rules"), effective August 1, 2001. Since WGL no longer

has a pilot program, we will treat Metromedia's request to participate in WGL's pilot as a request to participate in its natural gas retail choice program.

## Accordingly, IT IS ORDERED THAT:

- (1) Metromedia Energy, Inc., is hereby granted license

  No. G-4 to provide competitive natural gas service to commercial

  and industrial customers in association with the retail access

  program of WGL. This license to act as a competitive service

  provider is granted subject to the provisions of the Retail

  Access Rules, this Order, and other applicable statutes.
- (2) This license is not valid authority for the provision of any product or service not identified within the license itself.
- (3) Failure of Metromedia Energy, Inc., to comply with the Retail Access Rules, the provisions of this Order, other State Corporation Commission orders and rules, or other applicable state or federal laws may result in an enforcement action by the Commission including, without limitation, the revocation, suspension, or modification of the license granted herein, the refusal to renew such licenses, the imposition of appropriate fines and penalties, or such other additional actions as may be necessary to protect the public interest.

(4) This matter shall remain open pending the receipt of any reports required by the Retail Access Rules.